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August 26, 1996

John S. Morabito
Deputy Chief
Accounting and Audits Division
Common Carrier Bureau
Federal Communications Commission
1919 M. St., NW
Washington, D.C. 20554

AUG 26 1996

RE: Ex Parte Presentation
CC Docket No. 96-45

Dear Mr. Morabito,

Pursuant to your letter of August 2, 1996, enclosed please find the remaining portions of AT&T's and MCI's responses to the Federal-State Joint Board's request for information. In particular, this letter transmits our responses to question number 1, portions of question 5, and question 6 that were not included in our submission of August 19. Also attached is a diskette containing the responses to question 1.

Two copies of this Notice are being submitted to the Secretary of the FCC in accordance with Section 1.1206(a)(1) of the Commission's rules.

Sincerely,

Joel Lubin
For Michael Pelcovitz
Chief Economist
MCI Telecommunications Corporation

Joel Lubin
Joel Lubin
Regulatory Vice President
AT&T Corp.

Attachment

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OCT 1 1996
FEDERAL COMMUNICATIONS COMMISSION
MAIL ROOM 1000
1120 20TH STREET, N.W.
WASHINGTON, D.C. 20036

**Supplemental Response of
AT&T Corp. and MCI Telecommunications Corporation
to Questions Posed on the Hatfield Model by the
Federal Communications Commission and the Federal-State Joint Board Staff
in the Universal Service Proceeding (CC Docket No. 96-45)**

August 23, 1996

Models Used

AT&T and MCI have used Version 2.2, Release 2 of the Hatfield Model (HM 2.2.2) to perform the analyses in its *Response* and *Supplemental Response* to the Commission and Federal-State Joint Board Staff's questions. Because the development of Release 2 has continued since the August 2nd date when the Commission and Federal-State Joint Board Staff posed its questions, and when AT&T and MCI began to answer these questions, several minor discrepancies exist between the earlier edition of HM 2.2.2 that was used to answer questions 2 through 8, and the more recent edition used to answer question 1. The reason for these discrepancies is the correction of a minor error in the earlier edition. In addition, AT&T, MCI and Hatfield have more recently identified a further minor adjustment that will be incorporated into the model's electronically-filed form.¹

As described in earlier documentation, the HM develops estimates of economic costs through an engineering model designed to specify the network structure that can provide most efficiently narrowband local telephone services to all customers. As such, the HM conforms to TELRIC costing rules and standards. The HM adopts realistic, but conservative, assumptions concerning the factors influencing forward-looking network costs to ensure that its economic cost estimates are reasonable and reflective of efficient LEC processes.

The numeric results presented with this document provide a nationwide illustration of forward-looking economic costs generated by the HM using publicly available demographic, geological, network and demand data -- without any customization to reflect additional idiosyncratic characteristics of particular LECs or jurisdictions. To the extent these data are insufficient to describe all of the rich differences between different states or the peculiarities of particular LECs, more detailed, state- or LEC-specific restrictions should be incorporated into the HM. Because the LECs predominantly are in control of such data, their cooperation in making these data available will be extremely important to help improve modeling accuracy. The incorporation of richer data or modeling logic will likely reveal even more economical network architectures to serve customer demand.

¹ This adjustment is to correct an inaccurate cell reference in the model's tax gross-up formulas. The effect of this adjustment is to increase estimated costs by approximately two percent.

Question 1

How do the actual reported loop costs (as computed by NECA) of incumbent local exchange carriers compare with the calculated proxy loop costs of the Hatfield model on a study area by study area basis and on a state by state basis? Show the number of lines in each density zone by state. Show results both on a total study area loop cost basis; total state loop cost basis; study area cost per loop basis; and state cost per loop basis. Show the actual annual USF dollars currently received (as reported by NECA) and the amount of support that would be received under the Hatfield model at the benchmark levels of \$20, \$30 and \$40. Identify each study area by NECA study area code and indicate the state of operation. Data provided should be submitted on computer diskettes in a Excel format (version 4 or less) as well as on paper.

See Attachment 1 for the answers to this question for the BOCs and SNET.

Because the Hatfield Model uses ARMIS data that are reported only by Tier 1 LECs to establish certain cost relationships, it is not currently possible to run the model directly for the non-Tier 1 LECs. However, AT&T and MCI have attempted to apply cost relationships established by ARMIS-reporting LECs in a state for each density zone, to the smaller LECs. The algorithm that was used is as follows.

1. Calculate factors

- Establish a set of multiplicative factors for ARMIS-reporting LECs, by state, by density zone, for the relationship between loop materials cost per line and total loop investment per line.
- Establish a second set of multiplicative factors for ARMIS-reporting LECs, by state, by density zone, for the relationship between total loop investment per line and monthly loop cost per line.
- Establish a set of additive factors for ARMIS-reporting LECs, by state, by density zone, for the cost of the non-loop portion of monthly local service.

2. Apply Tier 1 factors to small LEC data

- Run the BCM+ portions of the Hatfield Model for smaller LEC study areas in the same state to develop their loop materials cost per line by density zone.
- Apply the first set of multiplicative factors computed above to this small LEC figure for loop materials cost per line by density zone to derive an estimate of the small LEC's total loop investment per line.

August 19, 1996

- Apply the second set of multiplicative factors computed above to this small LEC's calculated figure for total loop investment per line by density zone to derive an estimate of the small LEC's monthly loop cost per line.
- Add the set of additive factors computed above representing the cost of the non-loop portion of monthly local service to the calculated figure for monthly loop cost per line, by density zone, to derive an estimate of the small LEC's monthly local service cost per line.

Results from use of this methodology are also given in Attachment 1. They are provided for illustrative purposes, only. For the states of Florida, Missouri, Pennsylvania, South Dakota, Washington and Arkansas, results from the HM 2.2.2 for the BOC in each of these states was used to calculate, by density zone, the aforementioned sets of factors. We then selected several smaller LEC study areas within each of these states and applied these factors to the loop materials cost computed by BCM+ for these small study areas. The result is an inferred monthly cost of local service for the small LEC.

Because it is possible that factors developed from the BOC's operations in a state (by density zone) are not reflective of other LECs' operations in the same density zones of that state, we examined how results may differ if a different Tier 1 LEC's data is used to develop the factors. Thus, for Arkansas, in addition to calculating factors based on Southwestern Bell data, we also calculated factors based on GTE's data. While the factors relating loop materials cost to loop investment are very similar between SWB and GTE, GTE appears to be ten to fifteen percent more efficient than SWB in converting loop investment into monthly loop cost, but 25% less efficient in producing the non-loop portion of monthly local service. Overall, on a total monthly local service basis, there was very little difference in calculations based on SWB or GTE factors. GTE-based calculations for the same selection of small LEC study areas in Arkansas are also provided in Attachment 1.

Question 5

Provide the Hatfield study area results for Pacific Bell (PTCA), GTE SW - Arkansas (GTAR), and Southwestern Bell - Texas (SWTX). For each study area please provide:

The GTE holding company operates several study areas in Arkansas. Because GTE identifies different operating entities as reporting certain portions of its data in Arkansas than report other portions of its data, these GTE entities are combined in the following analyses. Thus, the GTAR identifier should be interpreted as mapping to all GTE-owned entities in Arkansas.

Question 5 Part D

Cable and wire statistics: percent underground, buried and aerial; the length, gauge and size of copper cable used; length and size of fiber cable used; fill factors used as inputs; percent distribution fill determined by the number of lines served divided by the total number of distribution lines installed; percent feeder fill determined by the number of lines served divided by the total number of feeder lines installed (when the feeder is fiber, explain what assumptions were used to determine the capacity and use of the fiber); the distribution of households by loop length; and any factors that alter the cost of cable or the installation of cable such as additional costs associated with placing cable in dense urban areas.

Distribution of households by loop length

Responses to this question that were not included in AT&T and MCI's original Response are contained in Attachment 5di - PTCA, SWTX, and GTAR.

Question 6

For the GTAR, PTCA, and SWTX study areas, please provide the results of a sensitivity analysis using the following assumptions: the distribution fill factors are 0.25, 0.35, 0.45, 0.55, 0.65, 0.75 for density zones 1 to 6 respectively; the fill factors for the AFC electronics and the SLC electronics are 80%; cost per access line for SLC electronics and AFC electronics is \$500 and \$550 respectively; and the discount for SLC electronics and AFC electronics is 25% and 10% respectively.

Responses to this question are in Attachment 6 - PTCA, SWTX, and GTAR. This attachment provides output on network element and monthly service costs from both the HM 2.2.2 baseline runs and from these alternative assumption runs. Note that although these alternative input assumptions alter only the direct costs of loop elements, they have indirect effects on the computed costs of non-loop elements because certain variable corporate costs are distributed across network elements based on relative amounts of direct investment in these elements.

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

Alabama

BELLSOUTH TELECOMM INC - AL

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 4,967,941	\$ 132,585,001	\$ 33,234,675	\$ 8,965,549	\$ 36,505,477	\$ 28,277,240	\$ 244,535,884
Unit Cost/month	\$ 48.88	\$ 21.12	\$ 9.19	\$ 6.77	\$ 5.85	\$ 5.77	\$ 10.89
<i>Loop Concentration</i>							
Annual Cost	\$ 716,537	\$ 25,952,500	\$ 12,577,155	\$ 3,848,129	\$ 16,111,084	\$ 8,213,575	\$ 67,418,980
Unit Cost/month	\$ 7.05	\$ 4.13	\$ 3.48	\$ 2.91	\$ 2.58	\$ 1.68	\$ 3.00
<i>Loop Feeder</i>							
Annual Cost	\$ 731,642	\$ 18,886,138	\$ 6,468,648	\$ 3,323,745	\$ 20,070,607	\$ 18,661,025	\$ 68,141,806
Unit Cost/month	\$ 7.20	\$ 3.01	\$ 1.79	\$ 2.51	\$ 3.22	\$ 3.81	\$ 3.03
<i>Total Loop</i>							
Annual Cost	\$ 6,416,120	\$ 177,423,640	\$ 52,280,479	\$ 16,137,423	\$ 72,687,168	\$ 55,151,840	\$ 380,096,670
Unit Cost/month	\$ 63.13	\$ 28.26	\$ 14.46	\$ 12.19	\$ 11.65	\$ 11.25	\$ 16.92
<i>Total lines</i>	8,470	523,213	301,339	110,285	519,840	408,607	1,871,754
<i>Total lines served by D</i>	8,156	467,392	225,830	65,297	258,258	125,742	1,150,676

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Reported to NECA
Network costs								
Loop	\$ 63.46	\$ 28.47	\$ 14.57	\$ 12.28	\$ 11.68	\$ 11.21	\$ 17.01	\$ 242.85
Port	\$ 1.18	\$ 1.18	\$ 1.18	\$ 1.18	\$ 1.18	\$ 1.18	\$ 1.18	\$ 20.24
End office usage	\$ 1.90	\$ 1.90	\$ 1.90	\$ 1.90	\$ 1.90	\$ 1.90	\$ 1.90	\$ 1.90
Signaling	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07
Transport	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09
Billing/bill inquiries	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
<i>Total monthly cost per (assumes LNP available)</i>	\$ 68.58	\$ 33.59	\$ 19.69	\$ 17.40	\$ 16.80	\$ 16.34	\$ 23.14 wtd by hh	
<i>Total lines</i>	8,470	523,213	301,339	110,285	519,840	408,607	1,871,754	1,763,278
<i>Total households</i>	7,019	385,409	193,041	72,276	318,562	183,731	1,160,038	
Annual Subsidy @								
\$20.00	\$ 4,091,911	\$ 62,860,131	0	0	0	0	\$ 66,952,042	
\$30.00	\$ 3,249,631	\$ 16,611,051	0	0	0	0	\$ 19,860,682	
\$40.00	\$ 2,407,351	0	0	0	0	0	\$ 2,407,351	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

Florida

BELLSOUTH TELECOMM INC - FL

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 7,487,451	\$ 84,050,969	\$ 58,232,677	\$ 18,110,544	\$ 115,145,884	\$ 201,434,722	\$ 484,462,246
Unit Cost/month	\$ 66.44	\$ 20.32	\$ 10.09	\$ 7.45	\$ 6.08	\$ 5.15	\$ 6.87
<i>Loop Concentration</i>							
Annual Cost	\$ 730,137	\$ 15,944,776	\$ 19,310,053	\$ 8,107,560	\$ 54,961,348	\$ 78,014,725	\$ 177,068,600
Unit Cost/month	\$ 6.48	\$ 3.85	\$ 3.35	\$ 3.33	\$ 2.90	\$ 1.99	\$ 2.51
<i>Loop Feeder</i>							
Annual Cost	\$ 946,558	\$ 9,434,699	\$ 8,914,638	\$ 3,564,933	\$ 42,622,103	\$ 96,546,724	\$ 162,029,656
Unit Cost/month	\$ 8.40	\$ 2.28	\$ 1.54	\$ 1.47	\$ 2.25	\$ 2.47	\$ 2.30
<i>Total Loop</i>							
Annual Cost	\$ 9,164,146	\$ 109,430,444	\$ 86,457,368	\$ 29,783,036	\$ 212,729,335	\$ 375,996,171	\$ 823,560,501
Unit Cost/month	\$ 81.32	\$ 26.46	\$ 14.98	\$ 12.24	\$ 11.23	\$ 9.61	\$ 11.68
<i>Total lines</i>	9,391	344,682	480,863	202,704	1,578,133	3,259,031	5,874,804
<i>Total lines served by D</i>	8,742	318,276	382,700	157,493	1,047,915	1,460,786	3,375,912

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Reported to NECA
Network costs								
Loop	\$ 82.92	\$ 27.12	\$ 15.43	\$ 12.62	\$ 11.54	\$ 9.84	\$ 11.98	\$ 307.52
Port	\$ 1.02	\$ 1.02	\$ 1.02	\$ 1.02	\$ 1.02	\$ 1.02	\$ 1.02	\$ 25.63
End office usage	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41
Signaling	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04
Transport	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06
Billing/bill inquiries	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avail)	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	
<i>Total monthly cost per (assumes LNP available)</i>	\$ 87.37	\$ 31.56	\$ 19.87	\$ 17.06	\$ 15.99	\$ 14.28	\$ 16.73	
							wtd by hh	
<i>Total lines</i>	9,391	344,682	480,863	202,704	1,578,133	3,259,031	5,874,804	5,328,280
<i>Total households</i>	6,434	222,450	301,930	123,878	925,727	1,656,797	3,237,216	
Annual Subsidy @ \$20.00	\$ 5,201,213	\$ 30,863,854	0	0	0	0	\$ 36,065,067	\$ 11,715,022.82
\$30.00	\$ 4,429,133	\$ 4,169,854	0	0	0	0	\$ 8,598,987	
\$40.00	\$ 3,657,053	0	0	0	0	0	\$ 3,657,053	

COST OF NETWORK ELEMENTS

Georgia

BELLSOUTH TELECOMM INC - GA

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 4,894,166	\$ 176,858,424	\$ 65,486,125	\$ 17,002,783	\$ 78,386,041	\$ 66,807,528	\$ 409,435,066
Unit Cost/month	\$ 43.35	\$ 20.06	\$ 9.12	\$ 6.70	\$ 5.54	\$ 4.70	\$ 8.71
<i>Loop Concentration</i>							
Annual Cost	\$ 771,862	\$ 33,839,359	\$ 25,464,801	\$ 7,623,926	\$ 38,637,297	\$ 26,381,325	\$ 132,718,569
Unit Cost/month	\$ 6.84	\$ 3.84	\$ 3.55	\$ 3.01	\$ 2.73	\$ 1.86	\$ 2.82
<i>Loop Feeder</i>							
Annual Cost	\$ 893,725	\$ 18,912,088	\$ 10,184,731	\$ 4,327,752	\$ 32,926,809	\$ 36,364,194	\$ 103,609,298
Unit Cost/month	\$ 7.92	\$ 2.15	\$ 1.42	\$ 1.71	\$ 2.33	\$ 2.56	\$ 2.20
<i>Total Loop</i>							
Annual Cost	\$ 6,559,752	\$ 229,609,870	\$ 101,135,657	\$ 28,954,481	\$ 149,950,147	\$ 129,553,046	\$ 645,762,933
Unit Cost/month	\$ 58.10	\$ 26.05	\$ 14.08	\$ 11.41	\$ 10.59	\$ 9.12	\$ 13.74
Total lines	9,409	734,543	598,491	211,400	1,179,998	1,183,644	3,917,484
Total lines served by D	9,409	669,965	495,698	145,006	721,742	486,053	2,527,872

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Reported to NECA
Network costs								
Loop	\$ 58.53	\$ 26.33	\$ 14.26	\$ 11.56	\$ 10.67	\$ 9.12	\$ 13.85	\$ 301.48
Port	\$ 1.12	\$ 1.12	\$ 1.12	\$ 1.12	\$ 1.12	\$ 1.12	\$ 1.12	\$ 25.12
End office usage	\$ 1.61	\$ 1.61	\$ 1.61	\$ 1.61	\$ 1.61	\$ 1.61	\$ 1.61	\$ 1.61
Signaling	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Transport	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07
Billing/bill inquiries	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
Total monthly cost per (assumes LNP available)	\$ 63.28	\$ 31.07	\$ 19.01	\$ 16.30	\$ 15.41	\$ 13.86	\$ 19.62 wtd by hh	
Total lines	9,409	734,543	598,491	211,400	1,179,998	1,183,644	3,917,484	3,357,032
Total households	7,480	474,886	351,686	132,962	654,764	407,773	2,029,551	
Annual Subsidy @								
\$20.00	\$ 3,884,619	\$ 63,087,915	0	0	0	0	\$ 66,972,534	
\$30.00	\$ 2,987,019	\$ 6,101,595	0	0	0	0	\$ 9,088,614	
\$40.00	\$ 2,089,419	0	0	0	0	0	\$ 2,089,419	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

Kentucky

BELLSOUTH TELECOMM INC - KY

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 1,529,373	\$ 99,605,834	\$ 11,483,043	\$ 2,903,944	\$ 16,999,469	\$ 17,481,142	\$ 150,002,806
Unit Cost/month	\$ 38.38	\$ 19.94	\$ 7.31	\$ 5.67	\$ 5.20	\$ 4.92	\$ 10.76
<i>Loop Concentration</i>							
Annual Cost	\$ 246,054	\$ 18,048,659	\$ 3,633,133	\$ 1,249,732	\$ 7,576,554	\$ 5,487,123	\$ 36,241,254
Unit Cost/month	\$ 6.17	\$ 3.61	\$ 2.31	\$ 2.44	\$ 2.32	\$ 1.54	\$ 2.60
<i>Loop Feeder</i>							
Annual Cost	\$ 385,981	\$ 14,332,856	\$ 3,824,578	\$ 1,023,413	\$ 8,389,173	\$ 11,125,007	\$ 39,081,009
Unit Cost/month	\$ 9.69	\$ 2.87	\$ 2.44	\$ 2.00	\$ 2.57	\$ 3.13	\$ 2.80
<i>Total Loop</i>							
Annual Cost	\$ 2,161,407	\$ 131,987,349	\$ 18,940,755	\$ 5,177,089	\$ 32,965,197	\$ 34,093,273	\$ 225,325,069
Unit Cost/month	\$ 54.24	\$ 26.42	\$ 12.06	\$ 10.11	\$ 10.08	\$ 9.59	\$ 16.16
<i>Total lines</i>	3,321	416,306	130,835	42,658	272,532	296,224	1,161,875
<i>Total lines served by D</i>	3,061	359,571	69,042	22,481	140,717	97,076	691,948

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Reported to NECA
<i>Network costs</i>								
Loop	\$ 54.60	\$ 26.64	\$ 12.15	\$ 10.15	\$ 10.00	\$ 9.34	\$ 16.17	\$ 280.78
Port	\$ 1.32	\$ 1.32	\$ 1.32	\$ 1.32	\$ 1.32	\$ 1.32	\$ 1.32	\$ 23.40
End office usage	\$ 1.98	\$ 1.98	\$ 1.98	\$ 1.98	\$ 1.98	\$ 1.98	\$ 1.98	
Signaling	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	
Transport	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	
<i>Billing/bill inquiries</i>	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avail)	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
<i>Total monthly cost per (assumes LNP available)</i>	\$ 59.92	\$ 31.97	\$ 17.47	\$ 15.48	\$ 15.32	\$ 14.67	\$ 22.53 wtd by hh	
<i>Total lines</i>	3,321	416,306	130,835	42,658	272,532	296,224	1,161,875	1,072,293
<i>Total households</i>	3,076	327,716	91,618	30,941	179,689	156,801	789,841	
Annual Subsidy @								\$
\$20.00	\$ 1,473,589	\$ 47,057,056	0	0	0	0	\$ 48,530,645	
\$30.00	\$ 1,104,469	\$ 7,731,136	0	0	0	0	\$ 8,835,605	
\$40.00	\$ 735,349	0	0	0	0	0	\$ 735,349	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

Louisiana BELLSOUTH TELECOMM INC - LA

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
Loop Distribution (including NID)							
Annual Cost	\$ 15,033,592.53	\$ 112,351,484.79	\$ 26,653,858.20	\$ 5,260,342.38	\$ 33,315,172.62	\$ 44,148,387.82	\$ 236,762,838.34
Unit Cost/month	\$ 44.37	\$ 19.58	\$ 7.56	\$ 5.52	\$ 4.90	\$ 4.90	\$ 8.98
Loop Concentration							
Annual Cost	\$ 2,096,258.32	\$ 20,735,751.84	\$ 9,718,373.59	\$ 2,337,429.23	\$ 16,046,624.77	\$ 14,702,431.91	\$ 65,636,869.65
Unit Cost/month	\$ 6.19	\$ 3.61	\$ 2.76	\$ 2.45	\$ 2.36	\$ 1.63	\$ 2.49
Loop Feeder							
Annual Cost	\$ 2,356,290.08	\$ 15,741,695.81	\$ 7,507,630.69	\$ 2,334,496.16	\$ 19,704,359.39	\$ 29,463,773.91	\$ 77,108,246.05
Unit Cost/month	\$ 6.95	\$ 2.74	\$ 2.13	\$ 2.45	\$ 2.90	\$ 3.27	\$ 2.93
Total Loop							
Annual Cost	\$ 19,486,140.93	\$ 148,828,932.44	\$ 43,879,862.47	\$ 9,932,267.77	\$ 69,066,156.78	\$ 88,314,593.64	\$ 379,507,954.04
Unit Cost/month	\$ 57.51	\$ 25.94	\$ 12.45	\$ 10.43	\$ 10.16	\$ 9.81	\$ 14.40
Total lines	28,235	478,165	293,648	79,363	566,329	750,518	2,196,258
Total lines served by D	26,094	407,808	185,196	43,334	287,477	258,214	1,208,123

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Reported to NECA
<i>Network costs</i>								
Loop	\$ 57.88	\$ 26.16	\$ 12.57	\$ 10.50	\$ 10.15	\$ 9.67	\$ 14.42	\$ 291.93
Port	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 24.33
End office usage	\$ 1.94	\$ 1.94	\$ 1.94	\$ 1.94	\$ 1.94	\$ 1.94	\$ 1.94	
Signaling	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	
Transport	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	
Billing/bill inquiries	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	
Directory listing	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
Total monthly cost per (assumes LNP available)	\$ 63.06	\$ 31.34	\$ 17.75	\$ 15.68	\$ 15.33	\$ 14.85	\$ 20.35	
							wtd by hh	
Total lines	28,235	478,165	293,648	79,363	566,329	750,518	2,196,258	\$ 2,060,040
Total households	21,307	351,625	190,199	48,803	353,498	415,658	1,381,090	
Annual Subsidy @								
\$20.00	\$ 11,008,940	\$ 47,867,778	0	0	0	0	\$ 58,876,718	\$ 1,317,705
\$30.00	\$ 8,452,100	\$ 5,672,778	0	0	0	0	\$ 14,124,878	
\$40.00	\$ 5,895,260	0	0	0	0	0	\$ 5,895,260	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

Mississippi

BELLSOUTH TELECOMM INC - MS

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 21,067,122	\$ 133,469,552	\$ 19,506,257	\$ 3,788,800	\$ 18,789,031	\$ 8,330,297	\$ 204,951,058
Unit Cost/month	\$ 41.92	\$ 23.33	\$ 7.57	\$ 5.76	\$ 5.36	\$ 5.59	\$ 14.18
<i>Loop Concentration</i>							
Annual Cost	\$ 3,393,854	\$ 21,738,630	\$ 6,240,153	\$ 1,472,226	\$ 6,898,548	\$ 2,371,154	\$ 42,114,564
Unit Cost/month	\$ 6.75	\$ 3.80	\$ 2.42	\$ 2.24	\$ 1.97	\$ 1.59	\$ 2.91
<i>Loop Feeder</i>							
Annual Cost	\$ 4,186,133	\$ 19,797,309	\$ 6,159,385	\$ 1,659,135	\$ 11,296,887	\$ 4,838,919	\$ 47,937,768
Unit Cost/month	\$ 8.33	\$ 3.46	\$ 2.39	\$ 2.52	\$ 3.22	\$ 3.25	\$ 3.32
<i>Total Loop</i>							
Annual Cost	\$ 28,647,109	\$ 175,005,491	\$ 31,905,795	\$ 6,920,161	\$ 36,984,465	\$ 15,540,370	\$ 295,003,390
Unit Cost/month	\$ 57.01	\$ 30.59	\$ 12.38	\$ 10.52	\$ 10.54	\$ 10.43	\$ 20.41
<i>Total lines</i>	41,878	476,760	214,787	54,828	292,285	124,181	1,204,719
<i>Total lines served by D</i>	41,039	408,823	108,695	24,909	115,948	38,340	737,753

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Reported to NECA
<i>Network costs</i>								
Loop	\$ 57.58	\$ 30.96	\$ 12.54	\$ 10.63	\$ 10.56	\$ 10.36	\$ 20.60	\$ 342.02
Port	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 28.50
End office usage	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	
Signaling	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	
Transport	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	
Billing/bill inquiries	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
<i>Total monthly cost per (assumes LNP available)</i>	\$ 63.26	\$ 36.63	\$ 18.21	\$ 16.31	\$ 16.24	\$ 16.04	\$ 27.94 wtd by hh	
<i>Total lines</i>	41,878	476,760	214,787	54,828	292,285	124,181	1,204,719	1,132,607
<i>Total households</i>	36,980	400,841	144,721	36,157	191,151	60,703	870,553	
Annual Subsidy @								\$ 6,397,701
\$20.00	\$ 19,194,862	\$ 80,009,444	0	0	0	0	\$ 99,204,306	
\$30.00	\$ 14,757,262	\$ 31,908,524	0	0	0	0	\$ 46,665,786	
\$40.00	\$ 10,319,662	0	0	0	0	0	\$ 10,319,662	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

North Carolina

BELLSOUTH TELECOMM INC - NC

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 628,932	\$ 88,069,990	\$ 42,221,322	\$ 7,525,409	\$ 45,666,662	\$ 37,649,202	\$ 221,761,515
Unit Cost/month	\$ 42.31	\$ 15.67	\$ 8.40	\$ 6.22	\$ 5.35	\$ 4.76	\$ 7.83
<i>Loop Concentration</i>							
Annual Cost	\$ 103,694	\$ 21,365,621	\$ 15,966,754	\$ 3,308,183	\$ 20,937,756	\$ 13,323,183	\$ 75,005,192
Unit Cost/month	\$ 6.98	\$ 3.80	\$ 3.18	\$ 2.74	\$ 2.45	\$ 1.68	\$ 2.65
<i>Loop Feeder</i>							
Annual Cost	\$ 86,785	\$ 12,614,462	\$ 8,314,635	\$ 2,346,833	\$ 20,304,206	\$ 19,954,844	\$ 63,621,765
Unit Cost/month	\$ 5.84	\$ 2.24	\$ 1.65	\$ 1.94	\$ 2.38	\$ 2.52	\$ 2.25
<i>Total Loop</i>							
Annual Cost	\$ 819,411	\$ 122,050,073	\$ 66,502,710	\$ 13,180,426	\$ 86,908,623	\$ 70,927,229	\$ 360,388,471
Unit Cost/month	\$ 55.12	\$ 21.71	\$ 13.23	\$ 10.90	\$ 10.18	\$ 8.96	\$ 12.72
<i>Total lines</i>							
Total lines	1,239	468,395	418,887	100,770	711,479	659,734	2,360,504
Total lines served by D	1,239	411,712	311,561	62,584	395,313	246,677	1,429,085

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Reported to NECA
<i>Network costs</i>								
Loop	\$ 55.53	\$ 21.96	\$ 13.39	\$ 11.03	\$ 10.24	\$ 8.96	\$ 12.82	\$ 309.95
Port	\$ 1.25	\$ 1.25	\$ 1.25	\$ 1.25	\$ 1.25	\$ 1.25	\$ 1.25	\$ 25.83
End office usage	\$ 1.63	\$ 1.63	\$ 1.63	\$ 1.63	\$ 1.63	\$ 1.63	\$ 1.63	
Signaling	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	
Transport	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	
Billing/bill inquiries	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	
Directory listing	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	
LNP expense (when avail)	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
Total monthly cost per (assumes LNP available)	\$ 60.41	\$ 26.84	\$ 18.28	\$ 15.91	\$ 15.13	\$ 13.85	\$ 18.60 wtd by hh	
Total lines	1,239	468,395	418,887	100,770	711,479	659,734	2,360,504	1,991,501
Total households	991	320,549	226,954	53,792	374,993	245,991	1,223,270	
Annual Subsidy @								4,862,548
\$20.00	\$ 480,613	\$ 26,325,889	0	0	0	0	\$ 26,806,502	
\$30.00	\$ 361,693	0	0	0	0	0	\$ 361,693	
\$40.00	\$ 242,773	0	0	0	0	0	\$ 242,773	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

South Carolina

BELLSOUTH TELECOMM INC - SC

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 1,785,957	\$ 82,492,434	\$ 23,906,088	\$ 4,957,916	\$ 26,290,753	\$ 13,641,012	\$ 153,074,160
Unit Cost/month	\$ 43.03	\$ 17.47	\$ 7.90	\$ 5.82	\$ 5.39	\$ 4.51	\$ 9.25
<i>Loop Concentration</i>							
Annual Cost	\$ 274,021	\$ 17,777,812	\$ 8,769,718	\$ 2,316,992	\$ 11,481,865	\$ 5,059,466	\$ 45,679,874
Unit Cost/month	\$ 6.60	\$ 3.77	\$ 2.90	\$ 2.72	\$ 2.35	\$ 1.67	\$ 2.76
<i>Loop Feeder</i>							
Annual Cost	\$ 299,018	\$ 11,687,625	\$ 6,346,940	\$ 1,938,174	\$ 13,395,849	\$ 9,268,139	\$ 42,935,744
Unit Cost/month	\$ 7.20	\$ 2.48	\$ 2.10	\$ 2.27	\$ 2.74	\$ 3.06	\$ 2.59
<i>Total Loop</i>							
Annual Cost	\$ 2,358,996	\$ 111,957,870	\$ 39,022,747	\$ 9,213,082	\$ 51,168,466	\$ 27,968,617	\$ 241,689,779
Unit Cost/month	\$ 56.84	\$ 23.71	\$ 12.90	\$ 10.81	\$ 10.48	\$ 9.24	\$ 14.60
<i>Total lines</i>	3,459	393,421	252,154	71,035	406,806	252,300	1,379,174
<i>Total lines served by D</i>	3,459	350,202	163,817	42,294	210,275	90,911	869,957

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Reported to NECA
<i>Network costs</i>								
Loop	\$ 57.46	\$ 24.07	\$ 13.12	\$ 10.97	\$ 10.55	\$ 9.19	\$ 14.77	\$ 372.73
Port	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 31.06
End office usage	\$ 1.85	\$ 1.85	\$ 1.85	\$ 1.85	\$ 1.85	\$ 1.85	\$ 1.85	
Signaling	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	
Transport	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	
Billing/bill inquiries	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
<i>Total monthly cost per (assumes LNP available)</i>	\$ 62.64	\$ 29.25	\$ 18.29	\$ 16.14	\$ 15.73	\$ 14.37	\$ 20.87	
							wtd by hh	
<i>Total lines</i>	3,459	393,421	252,154	71,035	406,806	252,300	1,379,174	
<i>Total households</i>	3,033	295,319	172,763	48,536	259,621	90,444	869,716	1,242,733
Annual Subsidy @								
\$20.00	\$ 1,551,879	\$ 32,768,347	0	0	0	0	\$ 34,320,227	\$ 10,836,197
\$30.00	\$ 1,187,919	0	0	0	0	0	\$ 1,187,919	
\$40.00	\$ 823,959	0	0	0	0	0	\$ 823,959	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

Tennessee

BELLSOUTH TELECOMM INC - TN

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 2,183,077	\$ 153,382,565	\$ 37,060,392	\$ 9,744,259	\$ 49,718,789	\$ 41,773,277	\$ 293,862,358
Unit Cost/month	\$ 45.15	\$ 20.10	\$ 8.12	\$ 6.29	\$ 5.38	\$ 4.91	\$ 9.32
<i>Loop Concentration</i>							
Annual Cost	\$ 326,536	\$ 28,553,899	\$ 12,833,133	\$ 4,743,148	\$ 21,512,422	\$ 15,013,222	\$ 82,984,360
Unit Cost/month	\$ 6.80	\$ 3.74	\$ 2.81	\$ 3.06	\$ 2.33	\$ 1.76	\$ 2.63
<i>Loop Feeder</i>							
Annual Cost	\$ 379,486	\$ 19,568,932	\$ 9,499,762	\$ 2,766,589	\$ 25,424,705	\$ 25,402,740	\$ 83,042,215
Unit Cost/month	\$ 7.85	\$ 2.56	\$ 2.08	\$ 1.78	\$ 2.75	\$ 2.98	\$ 2.63
<i>Total Loop</i>							
Annual Cost	\$ 2,891,100	\$ 201,505,396	\$ 59,393,287	\$ 17,253,996	\$ 96,655,916	\$ 82,189,239	\$ 459,888,933
Unit Cost/month	\$ 59.80	\$ 26.40	\$ 13.02	\$ 11.13	\$ 10.46	\$ 9.65	\$ 14.58
<i>Total lines</i>							
Total lines served by D	4,029	635,978	380,144	129,179	770,014	709,474	2,628,819
	4,029	562,538	247,936	90,474	399,872	270,832	1,575,682

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Reported to NECA
<i>Network costs</i>								
Loop	\$ 60.17	\$ 26.64	\$ 13.16	\$ 11.23	\$ 10.51	\$ 9.64	\$ 14.67	\$ 269.96
Port	\$ 1.25	\$ 1.25	\$ 1.25	\$ 1.25	\$ 1.25	\$ 1.25	\$ 1.25	\$ 22.50
End office usage	\$ 1.87	\$ 1.87	\$ 1.87	\$ 1.87	\$ 1.87	\$ 1.87	\$ 1.87	\$ 1.87
Signaling	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Transport	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07
Billing/bill inquiries	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
<i>Total monthly cost per (assumes LNP available)</i>	\$ 65.31	\$ 31.78	\$ 18.30	\$ 16.38	\$ 15.65	\$ 14.78	\$ 20.83 wtd by hh	
<i>Total lines</i>	4,029	635,978	380,144	129,179	770,014	709,474	2,628,819	2,357,998
<i>Total households</i>	2,815	447,987	228,665	78,893	427,973	312,037	1,498,370	
Annual Subsidy @								\$ -
\$20.00	\$ 1,530,610	\$ 63,352,018	0	0	0	0	\$ 64,882,627	
\$30.00	\$ 1,192,810	\$ 9,593,578	0	0	0	0	\$ 10,786,387	
\$40.00	\$ 855,010	0	0	0	0	0	\$ 855,010	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

California

PACIFIC BELL - CA

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 37,384,157	\$ 227,116,796	\$ 102,821,500	\$ 33,463,823	\$ 207,498,445	\$ 671,124,900	\$ 1,279,409,621
Unit Cost/month	\$ 74.39	\$ 21.27	\$ 9.17	\$ 7.00	\$ 5.56	\$ 4.28	\$ 5.78
<i>Loop Concentration</i>							
Annual Cost	\$ 3,407,252	\$ 41,546,963	\$ 34,647,488	\$ 13,306,432	\$ 90,158,278	\$ 247,403,151	\$ 430,469,564
Unit Cost/month	\$ 6.78	\$ 3.89	\$ 3.09	\$ 2.78	\$ 2.42	\$ 1.58	\$ 1.95
<i>Loop Feeder</i>							
Annual Cost	\$ 3,925,006	\$ 20,931,108	\$ 20,356,927	\$ 8,796,490	\$ 89,404,959	\$ 391,899,416	\$ 535,313,905
Unit Cost/month	\$ 7.81	\$ 1.96	\$ 1.82	\$ 1.84	\$ 2.40	\$ 2.50	\$ 2.42
<i>Total Loop</i>							
Annual Cost	\$ 44,716,415	\$ 289,594,868	\$ 157,825,914	\$ 55,566,744	\$ 387,061,682	\$ 1,310,427,467	\$ 2,245,193,090
Unit Cost/month	\$ 88.98	\$ 27.12	\$ 14.07	\$ 11.63	\$ 10.37	\$ 8.36	\$ 10.15
<i>Total lines</i>	41,879	889,805	934,541	398,195	3,109,880	13,064,112	18,438,413
<i>Total lines served by D</i>	41,825	836,542	685,568	263,161	1,700,389	4,592,952	8,120,438

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	NECA
<i>Network costs</i>								
Loop	\$ 90.82	\$ 27.79	\$ 14.46	\$ 11.95	\$ 10.59	\$ 8.44	\$ 10.30	\$ 14.79
Port	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17
End office usage	\$ 1.24	\$ 1.24	\$ 1.24	\$ 1.24	\$ 1.24	\$ 1.24	\$ 1.24	\$ 1.24
Signaling	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
Transport	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03
Billing/bill inquiries	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18
LNP expense (when avai	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30
<i>Total monthly cost per (assumes LNP available)</i>	\$ 95.19	\$ 32.16	\$ 18.84	\$ 16.32	\$ 14.96	\$ 12.81	\$ 15.06 wtd by hh	
<i>Total lines</i>	41,879	889,805	934,541	398,195	3,109,880	13,064,112	18,438,413	15,251,301
<i>Total households</i>	22,361	470,499	509,560	223,411	1,648,159	5,271,109	8,145,099	
Annual Subsidy @	\$ 20.00	\$ 20,175,832	\$ 68,651,493	0	0	0	\$ 88,827,325	0
	\$ 30.00	\$ 17,492,512	\$ 12,191,613	0	0	0	\$ 29,684,125	
	\$ 40.00	\$ 14,809,192	0	0	0	0	\$ 14,809,192	

COST OF NETWORK ELEMENTS

Nevada

NEVADA BELL - NV

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 29,855,959	\$ 13,728,723	\$ 1,864,833	\$ 431,570	\$ 3,648,940	\$ 8,659,856	\$ 58,189,883
Unit Cost/month	\$ 107.97	\$ 24.86	\$ 7.01	\$ 5.71	\$ 5.36	\$ 4.15	\$ 14.78
<i>Loop Concentration</i>							
Annual Cost	\$ 1,774,041	\$ 1,971,468	\$ 524,632	\$ 139,610	\$ 1,108,553	\$ 1,783,732	\$ 7,302,036
Unit Cost/month	\$ 6.42	\$ 3.57	\$ 1.97	\$ 1.85	\$ 1.63	\$ 0.86	\$ 1.85
<i>Loop Feeder</i>							
Annual Cost	\$ 4,818,755	\$ 989,898	\$ 573,246	\$ 147,010	\$ 1,971,864	\$ 5,123,979	\$ 13,624,752
Unit Cost/month	\$ 17.43	\$ 1.79	\$ 2.16	\$ 1.94	\$ 2.90	\$ 2.46	\$ 3.46
<i>Total Loop</i>							
Annual Cost	\$ 36,448,756	\$ 16,690,089	\$ 2,962,712	\$ 718,190	\$ 6,729,357	\$ 15,567,567	\$ 79,116,671
Unit Cost/month	\$ 131.81	\$ 30.22	\$ 11.14	\$ 9.50	\$ 9.89	\$ 7.46	\$ 20.10
<i>Total lines</i>	23,043	46,028	22,157	6,302	56,680	173,838	328,048
<i>Total lines served by D</i>	23,043	42,163	10,213	2,759	22,265	35,102	135,544

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	NECA
<i>Network costs</i>								
Loop	\$ 133.54	\$ 30.75	\$ 11.35	\$ 9.61	\$ 9.92	\$ 7.26	\$ 20.20	\$ 20.61
Port	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28
End office usage	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54	\$ 1.54
Signaling	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Transport	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03
<i>Billing/bill inquiries</i>	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29
<i>Total monthly cost per (assumes LNP available)</i>	\$ 138.33	\$ 35.54	\$ 16.14	\$ 14.40	\$ 14.71	\$ 12.05	\$ 26.68	
							wtd by hh	
<i>Total lines</i>	23,043	46,028	22,157	6,302	56,680	173,838	328,048	276,853
<i>Total households</i>	12,119	29,675	15,215	4,073	30,933	70,701	162,716	
Annual Subsidy @	\$ 20.00	\$ 17,208,114	\$ 5,532,022	0	0	0	\$ 22,740,136	0
	\$ 30.00	\$ 15,753,834	\$ 1,971,022	0	0	0	\$ 17,724,856	
	\$ 40.00	\$ 14,299,554	0	0	0	0	\$ 14,299,554	

COST OF NETWORK ELEMENTS

Illinois

ILLINOIS BELL TEL CO - IL

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 860,076	\$ 74,292,986	\$ 46,119,017	\$ 12,718,692	\$ 93,605,219	\$ 291,434,300	\$ 519,030,291
Unit Cost/month	\$ 49.15	\$ 22.34	\$ 9.40	\$ 7.02	\$ 5.87	\$ 4.86	\$ 6.04
<i>Loop Concentration</i>							
Annual Cost	\$ 125,806	\$ 11,065,306	\$ 14,025,546	\$ 5,270,539	\$ 41,844,224	\$ 95,893,947	\$ 168,225,369
Unit Cost/month	\$ 7.19	\$ 3.33	\$ 2.86	\$ 2.91	\$ 2.62	\$ 1.60	\$ 1.96
<i>Loop Feeder</i>							
Annual Cost	\$ 106,973	\$ 9,890,384	\$ 11,050,328	\$ 4,031,840	\$ 43,154,351	\$ 189,785,357	\$ 258,019,234
Unit Cost/month	\$ 6.11	\$ 2.97	\$ 2.25	\$ 2.23	\$ 2.70	\$ 3.16	\$ 3.00
<i>Total Loop</i>							
Annual Cost	\$ 1,092,856	\$ 95,248,676	\$ 71,194,891	\$ 22,021,072	\$ 178,603,794	\$ 577,113,605	\$ 945,274,894
Unit Cost/month	\$ 62.46	\$ 28.64	\$ 14.51	\$ 12.15	\$ 11.19	\$ 9.62	\$ 10.99
<i>Total lines</i>							
Total lines	1,458	277,191	408,845	151,000	1,329,991	4,997,553	7,166,038
Total lines served by D	1,458	212,364	273,703	103,248	812,168	1,792,118	3,195,059

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	
<i>Network costs</i>								
Loop	\$ 63.48	\$ 29.13	\$ 14.78	\$ 12.38	\$ 11.39	\$ 9.78	\$ 11.18	152
Port	\$ 1.13	\$ 1.13	\$ 1.13	\$ 1.13	\$ 1.13	\$ 1.13	\$ 1.13	12.66
End office usage	\$ 1.67	\$ 1.67	\$ 1.67	\$ 1.67	\$ 1.67	\$ 1.67	\$ 1.67	1.67
Signaling	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	0.04
Transport	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	0.05
Billing/bill inquiries	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avail)	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
Total monthly cost per (assumes LNP available)	\$ 68.27	\$ 33.92	\$ 19.57	\$ 17.18	\$ 16.18	\$ 14.57	\$ 16.25	wtd by hh
Total lines	1,458	277,191	408,845	151,000	1,329,991	4,997,553	7,166,038	5,965,769
Total households	1,062	166,677	219,075	74,845	697,639	2,245,187	3,404,485	
Annual Subsidy @	\$ 20.00	\$ 615,197	\$ 27,845,614	0	0	0	\$ 28,460,811	\$ -
	\$ 30.00	\$ 487,757	\$ 7,844,374	0	0	0	\$ 8,332,131	
	\$ 40.00	\$ 360,317	0	0	0	0	\$ 360,317	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

Indiana

INDIANA BELL TEL CO INC - IN

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 214,614	\$ 69,999,295	\$ 21,947,591	\$ 5,488,069	\$ 42,375,391	\$ 59,886,189	\$ 199,911,149
Unit Cost/month	\$ 41.76	\$ 18.78	\$ 8.26	\$ 5.80	\$ 5.13	\$ 4.68	\$ 7.04
<i>Loop Concentration</i>							
Annual Cost	\$ 39,004	\$ 13,032,943	\$ 7,787,979	\$ 2,627,275	\$ 20,777,211	\$ 20,390,933	\$ 64,655,345
Unit Cost/month	\$ 7.59	\$ 3.50	\$ 2.93	\$ 2.78	\$ 2.52	\$ 1.59	\$ 2.28
<i>Loop Feeder</i>							
Annual Cost	\$ 36,636	\$ 10,397,685	\$ 4,950,239	\$ 1,979,257	\$ 20,081,261	\$ 36,220,300	\$ 73,665,379
Unit Cost/month	\$ 7.13	\$ 2.79	\$ 1.86	\$ 2.09	\$ 2.43	\$ 2.83	\$ 2.59
<i>Total Loop</i>							
Annual Cost	\$ 290,255	\$ 93,429,923	\$ 34,685,809	\$ 10,094,601	\$ 83,233,863	\$ 116,497,421	\$ 338,231,874
Unit Cost/month	\$ 56.47	\$ 25.06	\$ 13.05	\$ 10.67	\$ 10.08	\$ 9.10	\$ 11.91
<i>Total lines</i>	428	310,667	221,470	78,849	688,061	1,067,278	2,366,754
<i>Total lines served by D</i>	428	246,295	150,157	49,175	393,936	382,147	1,222,139

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average
<i>Network costs</i>							
Loop	\$ 57.11	\$ 25.36	\$ 13.18	\$ 10.73	\$ 10.07	\$ 9.00	\$ 11.92
Port	\$ 1.23	\$ 1.23	\$ 1.23	\$ 1.23	\$ 1.23	\$ 1.23	\$ 1.23
End office usage	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62
Signaling	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06
Transport	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Billing/bill inquiries	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29
<i>Total monthly cost per (assumes LNP available)</i>	\$ 61.96	\$ 30.22	\$ 18.03	\$ 15.59	\$ 14.93	\$ 13.86	\$ 17.57 wtd by hh
<i>Total lines</i>	428	310,667	221,470	78,849	688,061	1,067,278	2,366,754
<i>Total households</i>	322	212,400	128,971	42,608	387,625	446,683	1,218,609
Annual Subsidy @ \$20.00	\$ 162,151	\$ 26,052,265	0	0	0	\$ 26,214,416	\$ -
\$30.00	0	0	0	0	0	\$ 0	0
\$40.00	\$ 84,871	0	0	0	0	\$ 0	\$ 84,871

COST OF NETWORK ELEMENTS

Michigan

MICHIGAN BELL TEL CO - MI

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 7,842,343	\$ 145,434,871	\$ 46,986,965	\$ 13,446,452	\$ 80,391,845	\$ 177,354,854	\$ 471,457,332
Unit Cost/month	\$ 56.16	\$ 18.96	\$ 8.69	\$ 6.18	\$ 5.18	\$ 5.04	\$ 7.14
<i>Loop Concentration</i>							
Annual Cost	\$ 961,612	\$ 28,063,032	\$ 15,744,422	\$ 5,943,579	\$ 42,207,932	\$ 73,765,890	\$ 166,686,466
Unit Cost/month	\$ 6.89	\$ 3.66	\$ 2.91	\$ 2.73	\$ 2.72	\$ 2.10	\$ 2.52
<i>Loop Feeder</i>							
Annual Cost	\$ 1,375,386	\$ 23,705,125	\$ 11,779,346	\$ 4,744,658	\$ 39,028,028	\$ 109,744,749	\$ 190,377,294
Unit Cost/month	\$ 9.85	\$ 3.09	\$ 2.18	\$ 2.18	\$ 2.52	\$ 3.12	\$ 2.88
<i>Total Loop</i>							
Annual Cost	\$ 10,179,341	\$ 197,203,029	\$ 74,510,734	\$ 24,134,690	\$ 161,627,805	\$ 360,865,493	\$ 828,521,092
Unit Cost/month	\$ 72.90	\$ 25.70	\$ 13.78	\$ 11.08	\$ 10.42	\$ 10.26	\$ 12.54
<i>Total lines</i>	11,637	639,329	450,618	181,445	1,292,841	2,929,598	5,505,467
<i>Total lines served by D</i>	11,051	514,987	294,766	108,205	787,457	1,355,707	3,072,173

Basic local service

monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Excluded from loop cost
<i>Network costs</i>								
Loop	\$ 73.93	\$ 26.13	\$ 14.01	\$ 11.25	\$ 10.46	\$ 10.22	\$ 12.60	208.91
Port	\$ 1.14	\$ 1.14	\$ 1.14	\$ 1.14	\$ 1.14	\$ 1.14	\$ 1.14	17.41
End office usage	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	
Signaling	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	
Transport	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	
Billing/bill inquiries	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
<i>Total monthly cost per (assumes LNP available)</i>	\$ 78.49	\$ 30.69	\$ 18.57	\$ 15.81	\$ 15.03	\$ 14.78	\$ 17.68 wtd by hh	
<i>Total lines</i>	11,637	639,329	450,618	181,445	1,292,841	2,929,598	5,505,467	4,739,287
<i>Total households</i>	8,359	406,165	250,422	101,483	691,882	1,378,823	2,837,134	
Annual Subsidy @								
\$20.00	\$ 5,867,356	\$ 52,107,909	0	0	0	0	\$ 57,975,265	
\$30.00	\$ 4,864,276	\$ 3,368,109	0	0	0	0	\$ 8,232,385	
\$40.00	\$ 3,861,196	0	0	0	0	0	\$ 3,861,196	

Loop Cost and Monthly Service Costs

COST OF NETWORK ELEMENTS

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 7,273	\$ 76,017,928	\$ 40,327,766	\$ 12,256,505	\$ 72,609,553	\$ 144,599,005	\$ 345,818,029
Unit Cost/month	\$ 51.44	\$ 18.70	\$ 8.57	\$ 6.70	\$ 5.41	\$ 4.91	\$ 6.47
<i>Loop Concentration</i>							
Annual Cost	\$ 4,473	\$ 13,851,532	\$ 13,912,446	\$ 5,060,425	\$ 33,003,023	\$ 48,571,122	\$ 114,403,022
Unit Cost/month	\$ 31.64	\$ 3.41	\$ 2.96	\$ 2.76	\$ 2.46	\$ 1.65	\$ 2.14
<i>Loop Feeder</i>							
Annual Cost	\$ 12,700	\$ 11,033,156	\$ 10,103,507	\$ 3,847,787	\$ 34,870,452	\$ 92,485,778	\$ 152,353,380
Unit Cost/month	\$ 89.84	\$ 2.71	\$ 2.15	\$ 2.10	\$ 2.60	\$ 3.14	\$ 2.85
<i>Total Loop</i>							
Annual Cost	\$ 24,446	\$ 100,902,616	\$ 64,343,720	\$ 21,164,717	\$ 140,483,028	\$ 285,655,905	\$ 612,574,431
Unit Cost/month	\$ 172.92	\$ 24.82	\$ 13.68	\$ 11.56	\$ 10.48	\$ 9.70	\$ 11.46
<i>Total lines</i>	12	338,792	391,988	152,556	1,117,596	2,453,158	4,454,102
<i>Total lines served by D</i>	12	261,198	258,902	93,893	614,495	872,162	2,100,662

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Rate per line
<i>Network costs</i>								
Loop	\$ 174.33	\$ 25.05	\$ 13.80	\$ 11.65	\$ 10.48	\$ 9.61	\$ 11.44	213
Port	\$ 1.26	\$ 1.26	\$ 1.26	\$ 1.26	\$ 1.26	\$ 1.26	\$ 1.26	17.72
End office usage	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	\$ 1.73	
Signaling	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	
Transport	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	
Billing/bill inquiries	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avail)	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
<i>Total monthly cost per (assumes LNP available)</i>	\$ 179.32	\$ 30.04	\$ 18.79	\$ 16.63	\$ 15.47	\$ 14.60	\$ 16.81 wtd by hh	
<i>Total lines</i>	12	338,792	391,988	152,556	1,117,596	2,453,158	4,454,102	3,601,690
<i>Total households</i>	11	229,031	223,746	89,852	634,787	1,181,535	2,358,962	
Annual Subsidy @ \$20.00	\$ 21,030	\$ 27,604,917	0	0	0	0	\$ 27,625,947	\$ -
\$30.00	\$ 19,710	\$ 121,197	0	0	0	0	\$ 140,907	
\$40.00	\$ 18,390	0	0	0	0	0	\$ 18,390	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

Wisconsin

WISCONSIN BELL INC - WI

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 710,243	\$ 47,738,807	\$ 20,407,930	\$ 6,878,952	\$ 30,593,651	\$ 69,578,609	\$ 175,908,191
Unit Cost/month	\$ 53.65	\$ 16.76	\$ 7.43	\$ 5.63	\$ 4.82	\$ 4.46	\$ 6.11
<i>Loop Concentration</i>							
Annual Cost	\$ 71,133	\$ 9,520,372	\$ 7,460,263	\$ 2,955,958	\$ 15,164,850	\$ 22,926,193	\$ 58,098,770
Unit Cost/month	\$ 5.37	\$ 3.34	\$ 2.72	\$ 2.42	\$ 2.39	\$ 1.47	\$ 2.02
<i>Loop Feeder</i>							
Annual Cost	\$ 91,560	\$ 6,297,872	\$ 5,326,165	\$ 2,369,999	\$ 14,647,829	\$ 45,533,127	\$ 74,266,552
Unit Cost/month	\$ 6.92	\$ 2.21	\$ 1.94	\$ 1.94	\$ 2.31	\$ 2.92	\$ 2.58
<i>Total Loop</i>							
Annual Cost	\$ 872,936	\$ 63,557,051	\$ 33,194,358	\$ 12,204,909	\$ 60,406,330	\$ 138,037,929	\$ 308,273,513
Unit Cost/month	\$ 65.94	\$ 22.32	\$ 12.08	\$ 9.99	\$ 9.53	\$ 8.85	\$ 10.72
<i>Total lines</i>	1,103	237,318	228,969	101,763	528,475	1,299,873	2,397,501
<i>Total lines served by D</i>	839	189,568	148,598	57,493	295,282	432,495	1,124,276

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	Reported to FCC
<i>Network costs</i>								
Loop	\$ 67.49	\$ 22.85	\$ 12.33	\$ 10.16	\$ 9.60	\$ 8.85	\$ 10.81	188.27
Port	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17	\$ 1.17	15.69
End office usage	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	
Signaling	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	
Transport	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	
Billing/bill inquiries	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avail)	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	
<i>Total monthly cost per (assumes LNP available)</i>	\$ 72.12	\$ 27.47	\$ 16.95	\$ 14.79	\$ 14.22	\$ 13.47	\$ 15.70	wtd by hh
<i>Total lines</i>	1,103	237,318	228,969	101,763	528,475	1,299,873	2,397,501	1,961,022
<i>Total households</i>	884	136,046	120,358	49,872	273,839	606,900	1,187,899	
Annual Subsidy @								\$ -
\$20.00	\$ 552,861	\$ 12,196,278	0	0	0	0	\$ 12,749,139	
\$30.00	\$ 446,781	0	0	0	0	0	\$ 446,781	
\$40.00	\$ 340,701	0	0	0	0	0	\$ 340,701	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

West Virginia

Bell Atlantic - WV

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 1,994,521	\$ 86,644,301	\$ 9,385,644	\$ 2,440,312	\$ 8,856,561	\$ 10,038,794	\$ 119,360,133
Unit Cost/month	\$ 41.34	\$ 21.11	\$ 8.04	\$ 6.05	\$ 5.57	\$ 5.18	\$ 12.91
<i>Loop Concentration</i>							
Annual Cost	\$ 338,198	\$ 15,184,467	\$ 2,751,034	\$ 847,969	\$ 1,917,440	\$ 1,857,280	\$ 22,896,390
Unit Cost/month	\$ 7.01	\$ 3.70	\$ 2.36	\$ 2.10	\$ 1.21	\$ 0.96	\$ 2.48
<i>Loop Feeder</i>							
Annual Cost	\$ 461,813	\$ 14,556,116	\$ 3,174,476	\$ 1,251,494	\$ 5,676,166	\$ 6,213,022	\$ 31,333,087
Unit Cost/month	\$ 9.57	\$ 3.55	\$ 2.72	\$ 3.10	\$ 3.57	\$ 3.21	\$ 3.39
<i>Total Loop</i>							
Annual Cost	\$ 2,794,533	\$ 116,384,885	\$ 15,311,154	\$ 4,539,774	\$ 16,450,167	\$ 18,109,097	\$ 173,589,610
Unit Cost/month	\$ 57.92	\$ 28.36	\$ 13.12	\$ 11.25	\$ 10.35	\$ 9.35	\$ 18.77
<i>Total lines</i>							
Total lines served by D	4,021	341,985	97,270	33,635	132,472	161,344	770,726
	4,021	279,489	49,568	14,712	31,725	30,995	410,510

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	NECA
<i>Network costs</i>								
Loop	\$ 58.40	\$ 28.69	\$ 13.27	\$ 11.34	\$ 10.34	\$ 9.14	\$ 18.90	\$ 28.91
Port	\$ 1.53	\$ 1.53	\$ 1.53	\$ 1.53	\$ 1.53	\$ 1.53	\$ 1.53	\$ 1.53
End office usage	\$ 2.47	\$ 2.47	\$ 2.47	\$ 2.47	\$ 2.47	\$ 2.47	\$ 2.47	\$ 2.47
Signaling	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09
Transport	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10
Billing/bill inquiries	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	
Total monthly cost per (assumes LNP available)	\$ 64.48	\$ 34.78	\$ 19.36	\$ 17.43	\$ 16.42	\$ 15.23	\$ 26.35 wtd by hh	
Total lines	4,021	341,985	97,270	33,635	132,472	161,344	770,726	739,140
Total households	3,563	287,992	73,689	22,165	93,876	82,790	564,075	
Annual Subsidy @	\$ 20.00	\$ 1,901,968	\$ 51,066,155	0	0	0	\$ 52,968,123	\$ 4,538,800
	\$ 30.00	\$ 1,474,408	\$ 16,507,115	0	0	0	\$ 17,981,523	
	\$ 40.00	\$ 1,046,848	0	0	0	0	\$ 1,046,848	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

Virginia

Bell Atlantic - VA

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 706,186	\$ 107,407,748	\$ 26,292,955	\$ 9,477,598	\$ 59,274,513	\$ 86,523,859	\$ 289,682,859
Unit Cost/month	\$ 49.73	\$ 20.61	\$ 8.72	\$ 6.78	\$ 5.60	\$ 4.61	\$ 7.43
<i>Loop Concentration</i>							
Annual Cost	\$ 99,450	\$ 18,344,783	\$ 8,616,092	\$ 3,559,999	\$ 21,915,494	\$ 27,666,253	\$ 80,202,069
Unit Cost/month	\$ 7.00	\$ 3.52	\$ 2.86	\$ 2.55	\$ 2.07	\$ 1.47	\$ 2.06
<i>Loop Feeder</i>							
Annual Cost	\$ 77,556	\$ 14,450,278	\$ 6,526,813	\$ 2,848,529	\$ 26,994,950	\$ 48,107,857	\$ 99,005,983
Unit Cost/month	\$ 5.46	\$ 2.77	\$ 2.16	\$ 2.04	\$ 2.55	\$ 2.56	\$ 2.54
<i>Total Loop</i>							
Annual Cost	\$ 883,192	\$ 140,202,809	\$ 41,435,859	\$ 15,886,126	\$ 108,184,957	\$ 162,297,969	\$ 468,890,912
Unit Cost/month	\$ 62.20	\$ 26.90	\$ 13.74	\$ 11.37	\$ 10.22	\$ 8.65	\$ 12.03
Total lines	1,183	434,253	251,354	116,481	882,380	1,563,079	3,248,730
Total lines served by D	1,161	356,585	163,002	67,689	419,412	529,558	1,537,408

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	NECA
Network costs								
Loop	\$ 62.78	\$ 27.27	\$ 13.99	\$ 11.57	\$ 10.35	\$ 8.68	\$ 12.15	\$ 19.60
Port	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15
End office usage	\$ 1.64	\$ 1.64	\$ 1.64	\$ 1.64	\$ 1.64	\$ 1.64	\$ 1.64	\$ 1.64
Signaling	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Transport	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06
Billing/bill inquiries	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29
Total monthly cost per (assumes LNP available)	\$ 67.57	\$ 32.07	\$ 18.78	\$ 16.37	\$ 15.14	\$ 13.48	\$ 17.72 wtd by hh	
Total lines	1,183	434,253	251,354	116,481	882,380	1,563,079	3,248,730	2,920,012
Total households	980	294,185	153,647	71,163	527,676	702,349	1,750,000	
Annual Subsidy @ \$20.00	\$ 559,471	\$ 42,608,994	0	0	0	0	\$ 43,168,466	\$ -
\$30.00	\$ 441,871	\$ 7,306,794	0	0	0	0	\$ 7,748,666	
\$40.00	\$ 324,271	0	0	0	0	0	\$ 324,271	

Loop Cost and Monthly Service Costs

Submission of AT&T and MCI

COST OF NETWORK ELEMENTS

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 2,741,152	\$ 138,111,262	\$ 53,534,257	\$ 13,517,951	\$ 91,584,544	\$ 196,215,284	\$ 495,704,450
Unit Cost/month	\$ 60.38	\$ 18.86	\$ 9.16	\$ 6.55	\$ 5.64	\$ 4.86	\$ 6.89
<i>Loop Concentration</i>							
Annual Cost	\$ 340,416	\$ 25,788,393	\$ 16,807,942	\$ 5,206,277	\$ 34,890,843	\$ 43,569,203	\$ 126,603,074
Unit Cost/month	\$ 7.50	\$ 3.52	\$ 2.87	\$ 2.52	\$ 2.15	\$ 1.08	\$ 1.76
<i>Loop Feeder</i>							
Annual Cost	\$ 588,730	\$ 20,269,799	\$ 13,004,119	\$ 5,234,500	\$ 45,080,469	\$ 133,222,077	\$ 217,399,695
Unit Cost/month	\$ 12.97	\$ 2.77	\$ 2.22	\$ 2.54	\$ 2.77	\$ 3.30	\$ 3.02
<i>Total Loop</i>							
Annual Cost	\$ 3,670,298	\$ 184,169,454	\$ 83,346,318	\$ 23,958,728	\$ 171,555,856	\$ 373,006,564	\$ 839,707,218
Unit Cost/month	\$ 80.84	\$ 25.16	\$ 14.25	\$ 11.61	\$ 10.56	\$ 9.24	\$ 11.68
<i>Total lines</i>	3,783	610,102	487,284	172,034	1,354,313	3,363,597	5,991,113
<i>Total lines served by D</i>	3,656	477,756	312,134	94,822	639,907	731,872	2,260,146

Basic local service
monthly costs per line

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	NECA
<i>Network costs</i>								
Loop	\$ 81.90	\$ 25.64	\$ 14.59	\$ 11.89	\$ 10.78	\$ 9.38	\$ 11.89	\$ 16.78
Port	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15	
End office usage	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	
Signaling	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	
Transport	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	
Billing/bill inquiries	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	
LNP expense (when avai	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	
<i>Total monthly cost per (assumes LNP available)</i>	\$ 86.69	\$ 30.43	\$ 19.38	\$ 16.68	\$ 15.57	\$ 14.17	\$ 17.11 wtd by hh	
<i>Total lines</i>	3,783	610,102	487,284	172,034	1,354,313	3,363,597	5,991,113	5,628,628
<i>Total households</i>	2,388	419,103	284,619	96,888	742,310	1,768,485	3,313,793	
Annual Subsidy @	\$ 20.00	\$ 1,911,136	\$ 52,434,373	0	0	0	\$ 54,345,508	\$ -
	\$ 30.00	\$ 1,624,576	\$ 2,142,013	0	0	0	\$ 0	\$ 3,766,588
	\$ 40.00	\$ 1,338,016	0	0	0	0	\$ 0	\$ 1,338,016

COST OF NETWORK ELEMENTS

A. Loop elements

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Totals
<i>Loop Distribution (including NID)</i>							
Annual Cost	\$ 376,910	\$ 57,674,550	\$ 41,060,578	\$ 15,988,419	\$ 94,897,208	\$ 205,637,069	\$ 415,634,733
Unit Cost/month	\$ 44.71	\$ 17.86	\$ 9.22	\$ 7.35	\$ 5.60	\$ 4.82	\$ 5.98
<i>Loop Concentration</i>							
Annual Cost	\$ 61,208	\$ 11,069,250	\$ 14,577,209	\$ 7,614,327	\$ 42,242,546	\$ 55,875,762	\$ 131,440,302
Unit Cost/month	\$ 7.26	\$ 3.43	\$ 3.27	\$ 3.50	\$ 2.49	\$ 1.31	\$ 1.89
<i>Loop Feeder</i>							
Annual Cost	\$ 65,366	\$ 7,183,631	\$ 8,711,220	\$ 3,158,162	\$ 44,771,832	\$ 133,820,211	\$ 197,710,423
Unit Cost/month	\$ 7.75	\$ 2.22	\$ 1.96	\$ 1.45	\$ 2.64	\$ 3.14	\$ 2.85
<i>Total Loop</i>							
Annual Cost	\$ 503,483	\$ 75,927,431	\$ 64,349,008	\$ 26,760,908	\$ 181,911,586	\$ 395,333,042	\$ 744,785,458
Unit Cost/month	\$ 59.72	\$ 23.51	\$ 14.45	\$ 12.30	\$ 10.73	\$ 9.27	\$ 10.72
<i>Total lines</i>		703	269,094	371,205	181,340	1,412,695	3,555,687
<i>Total lines served by D</i>		703	213,775	275,608	146,088	784,466	983,673
<i>Basic local service monthly costs per line</i>							

	0 - 5 lines/sq mi	5 - 200 lines/sq mi	200 - 650 lines/sq mi	650 - 850 lines/sq mi	850 - 2550 lines/sq mi	> 2550 lines/sq mi	Weighted Average	NECA
<i>Network costs</i>								
Loop	\$ 60.39	\$ 23.91	\$ 14.72	\$ 12.50	\$ 10.81	\$ 9.26	\$ 10.78	\$ 16.64
Port	\$ 1.05	\$ 1.05	\$ 1.05	\$ 1.05	\$ 1.05	\$ 1.05	\$ 1.05	\$ 1.05
End office usage	\$ 1.02	\$ 1.02	\$ 1.02	\$ 1.02	\$ 1.02	\$ 1.02	\$ 1.02	\$ 1.02
Signaling	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
Transport	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03
Billing/bill inquiries	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44	\$ 1.44
Directory listing	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18
LNP expense (when avai	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29
<i>Total monthly cost per (assumes LNP available)</i>	\$ 64.41	\$ 27.93	\$ 18.75	\$ 16.53	\$ 14.84	\$ 13.29	\$ 14.98 wtd by hh	
<i>Total lines</i>	703	269,094	371,205	181,340	1,412,695	3,555,687	5,790,723	5,272,695
<i>Total households</i>	520	154,762	185,850	92,724	711,556	1,638,190	2,783,602	
Annual Subsidy @	\$ 20.00	\$ 277,143	\$ 14,735,106	0	0	0	\$ 15,012,249	\$ -
\$30.00	\$ 214,743	0	0	0	0	0	\$ 214,743	
\$40.00	\$ 152,343	0	0	0	0	0	\$ 152,343	